

Kg
3/12



SEC Mail Processing
Section

SECURITIES AND EXCHANGE COMMISSION
09056011
Washington, DC

OMB APPROVAL
OMB Number: 3235-0123
Expires: February 28, 2010
Estimated average burden
hours per response..... 12.00

MAR -2 2009
Washington, DC
110

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

SEC FILE NUMBER
8- 40530

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 01, 2008 AND ENDING December 31, 2008
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Wall Street Advisor Services, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

17 Battery Place

(No. and Street)

New York

New York

10004

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Arthur Goetchius

(212) 709-9453

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCoopers LLP

(Name - if individual, state last, first, middle name)

300 Madison Avenue

New York

NY

10017

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

AB
3/18

SEC Mail Processing
Section

MAR - 2 2009

Washington, DC
110

Wall Street Advisor Services LLC

**Statement of Financial Condition
December 31, 2008**

Wall Street Advisor Services LLC

Index

December 31, 2008

	Page(s)
Report of Independent Auditors	1
Financial Statements	
Statement of Financial Condition.....	2
Notes to Financial Statements.....	3-4

Report of Independent Auditors

To the Members
of Wall Street Advisor Services LLC

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Wall Street Advisor Services LLC (the "Company") at December 31, 2008 in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Company's management; our responsibility is to express an opinion based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition, assessing the accounting principles used and significant estimates made by management, and evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

As described in Note 4 to this statement of financial condition, the Company has been provided with a letter from its ultimate parent, DST Systems Inc., whereby the Company will receive an aggregate of \$500,000 should it need such amounts to meet regulatory requirements or obligations to vendors, employees, other securities dealers or other parties, for a period of up to one year through February 23, 2010.

PricewaterhouseCoopers LLP

February 27, 2009

Wall Street Advisor Services LLC
Statement of Financial Condition
December 31, 2008

Assets

Cash	\$ 263,278
Deposits with clearing organizations	120,000
Prepaid expenses	17,688
Receivable from affiliate	35,983
Securities owned, at fair value	<u>37,065</u>
Total assets	<u>\$ 474,014</u>

Liabilities and Members' Equity

Liabilities	
Payable to affiliates	\$ 29,253
Accrued liabilities	<u>44,520</u>
Total liabilities	73,773
Members' equity	<u>400,241</u>
Total liabilities and members' equity	<u>\$ 474,014</u>

The accompanying notes are an integral part of the statement of financial condition

Wall Street Advisor Services LLC

Notes to Statement of Financial Condition

December 31, 2008

1. Organization and Business

Wall Street Advisor Services LLC (the "Company") is a 90% owned subsidiary of DST Systems, Inc. ("DST"). The remaining 10% is owned by Wall Street Access. Currently, there is limited business being conducted by the Company while its infrastructure and business model is being revised. The Company is a broker-dealer formed under the Securities Exchange Act of 1934 and is registered with the Securities and Exchange Commission ("SEC"). The Company is a member of the Financial Industry Regulatory Authority ("FINRA").

2. Summary of Significant Accounting Policies

Securities Transactions

Transactions in securities owned are recorded on a trade date basis.

Income Taxes

No federal or state income taxes have been provided as the Company is a limited liability corporation whereby it is not liable for federal or state income tax payments as the individual owners are responsible for these payments.

Cash

Cash represents unrestricted cash of \$263,278 held with one major financial institution.

Use of Estimates and Indemnifications

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown as the contracts refer to potential claims that have not yet occurred. However, management expects the risk of loss to be remote.

3. Fair Value of Financial Instruments

The Company adopted SFAS No. 157 "Fair Value Measurements" effective January 1, 2008. SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Various valuation inputs are used to determine the fair value of assets or liabilities. Such inputs are defined broadly as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 - Other significant observable inputs (including quoted prices for similar securities, interest rates, etc.) for the asset or liability.

Level 3 - Significant unobservable inputs (including management's own assumptions in determining fair value) for the asset or liability.

Wall Street Advisor Services LLC
Notes to Statement of Financial Condition
December 31, 2008

Substantially all of Company's assets and liabilities are represented by cash balances held by depository institutions or are short-term in nature thus their carrying amounts approximate fair value as defined within the standard. The Company's investment securities, typically shares of common stock are quoted on a national securities exchange commission. Therefore, these securities are considered Level 1 assets.

4. Related Party Transactions

Receivable from affiliates of \$35,983 represent amounts due from an affiliated entity for transaction clearing services performed for a client of this related entity.

Payable to affiliates of \$29,253 represent amounts due to an affiliated entity for amounts which were paid on behalf of Wall Street Advisor Services LLC. Certain services related to communications, occupancy and other administrative services are provided to the Company by this affiliated entity in accordance with a formal service level agreement.

The Company has evaluated its ability to meet future operating expenses, cash needs and anticipated regulatory capital requirements to ensure its business operations can continue without interruption. Based on this evaluation, DST has undertaken to provide additional funding as may, from time to time, be required in the form of cash capital contributions up to a maximum of \$500,000 through February 23, 2010. Such amount is considered to be sufficient by management of the Company to meet both regulatory/or business requirements of the Company for such period.

5. Subsequent Event

On January 30, 2009, the Company received a capital contribution of \$100,000 from DST.

6. Net Capital and Customer Reserve Requirements

As a registered broker-dealer and member of FINRA, the Company is subject to the SEC's Uniform Net Capital Rule 15c3-1 (the "Rule"). The Rule requires that the Company maintain minimum net capital, as defined, of 6.67% of aggregate indebtedness or \$250,000, whichever is greater. The Company had net capital at December 31, 2008 of \$334,709, which exceeded its net capital requirement by \$84,709.

The Company is a clearing broker, however, it has not commenced operations as a clearing broker and, as such, has no customer accounts. Consequently, at December 31, 2008, there are no amounts required to be reserved in accordance with SEC Rule 15c3-3.